

MINUTES

WALNUT CREEK MUTUAL SEVENTY REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, DECEMBER 17, 2015 AT 2:00 P.M. BOARD ROOM – GATEWAY COMPLEX

President Eldon Rowe opened the meeting at 2:00 p.m. Directors Dale Smith, Jerry Cruson (arrived at 2:30), Jill Alley and Ellen Dietschy were also present. Three resident members were also present.

Staff was represented by Rick West, Building Maintenance Manager; Steve Ormond, Landscape Supervisor and Anne Paone, Assistant Secretary.

APPROVAL OF THE MINUTES

Mr. Rowe asked for any additions or corrections to the minutes of the regular session Board meeting of November 19, 2015. With one correction, he declared them approved as written and reviewed.

MEMBERS' FORUM

None

SECRETARY'S REPORT

No report

TREASURER'S REPORT

Mr. Cruson reported that as of November 30th, 2015, the operating expenses YTD were \$543,612. They were over budget by \$3,460. Expenses exceeded revenue by \$1,088. This was due to carpentry, termites and gutter cleanings. The operating fund ending balance was \$97,872. This was \$569 per manor. The reserve expenses through November were \$635,187. The expenses exceeded revenue by \$178,239. This was due to carpentry, decks and drainage problems. The reserve funding balance was \$1,044,880. This represents \$6,075 per manor. The total fund balances was \$1,142,752. As of December 31, 2014, the Mutual has \$183,411 lower balance than it had on December 31, 2015.

PRESIDENTS' FORUM

Mr. Rowe reported that a sub-committee was formed with some GRF Board members and some Board Presidents to co-ordinate work between Mutual Boards and GRF. The Presidents' Forum also discussed the definition of members vs owners. Registration of golf carts was discussed. There was also a discussion about the possible reduction of MOD's billable rate from \$90 to \$70.

LANDSCAPE REPORT

Mr. Ormond reported that the tree work was finished this week. When Ed Waraner returns, Mr. Ormond will walk the area with him. Mr. Ormond still does not have a permit to remove the

dead pine tree at 3288 Terra Granada. He explained that the City of Walnut Creek only has 1 arborist now. Mr. Ormond will inquire about getting an emergency permit.

1297 Avenida Sevilla has a hose bib that was not properly installed by the resident. The resident will be contacted. In the meantime, Mr. Perona turned off the hose bib.

The foundation at 1261 Avenida Sevilla has some erosion issues. Mr. Ormond explained that for this type of erosion, they can put down erosion control blankets. He can put a screen down about a foot and secure it to the foundation.

Mr. Rowe asked him to get a bid for screening and a retaining wall and present it at the next board meeting.

MUTUAL OPERATIONS REPORT

Mr. West presented his report as follows:

Work in Progress:

1. Entry 5 New guest parking. (Work in progress) cost \$8,500
Doing striping today.
2. Carports – 61 new LED Light Fixtures – (6 remaining). Cost \$7,628.50
Installed, except for 6 spots because vehicles are parked there.
3. 3401 TG 2A – Balcony wall water intrusion and dry rot around window and deck.
(work in progress).
AMAC Cost \$5,989. Perfect Painting cost \$7,825.
4. 3425 TG 2B - Deck Coating. (proposals presented to the Board). Perfect paint estimate \$5,403 plus \$3,000 AR Cost for stucco. GWC estimate \$11,630 includes stucco.

Ms. Alley moved to approve the proposal from Perfect Painting in the amount of \$5,403 for deck coating at 3425 Terra Granada 2B and the proposal from AR Construction in the amount of \$3,000 for stucco work. Mr. Smith seconded and the motion carried without dissent.

5. 3258 TG 1A – GWC Contracted for Deck coating cost \$9,430/ All ply needs R&R.
additional GWC cost \$1,500. All damage was from bad scupper.

Ms. Alley moved to approve the proposal from GWC for deck coating in the amount of \$9,430 at 3258 Terra Granada 1A. Mr. Smith seconded and the motion carried without dissent.

Ms. Alley moved to approve the proposal from GWC for deck repair in the amount of \$1,500 at 3258 Terra Granada 1A. Mr. Smith seconded and the motion carried without dissent.

6. 3443 TG 1B – Stucco and paper replacement due to bad paper. AR Construction Estimate \$1,200.00.

Ms. Alley moved to approve the proposal from AR Construction in the amount of \$1,200 for stucco and paper replacement at 3443 Terra Granada 1B. Mr. Smith seconded and the motion carried without dissent.

7. 2016 Roofing Project –21 carport built-ups (Going out to bid). Budget \$154,000.
 - Mr. West presented a packet to the Board with roofing information.
 - Mr. West reported that gutter spot cleaning is done in October for the worst areas. Mr. Rowe asked Mr. West to change the date of the full gutter cleaning from late January to early January. He will do so.

Follow Up:

1. 3874 TG Building – Beam Dry Rot. (Estimated completion date 12/24/15).
2. 1261 AS - Foundation Repair (Steve to give Landscaping estimate).
3. Tower gutters painting (scheduled for January).
4. Mailbox and Post Replacement estimate. (Five Star estimate \$7,875).
 - After discussion on this item, the Board decided to hold off until later in the year. They will want an exact number of boxes and posts to be replaced.
5. 2016 Elevator Safety/Tech Upgrades and Cab Enhancement - #3330 start date Aug. 1st / #3288 start date Oct. 1st.
 - Mr. West reported that Otis Elevator requires a deposit of \$30,000 per elevator in order to lock in a scheduled start date for work to begin. The Board agreed that the work must be done.

Ms. Dietschy moved to place a \$60,000 deposit down for 2 elevators-3330 and 3288 Terra Granada-to secure a start date from Otis Elevators. Mr. Cruson seconded and the motion carried without dissent.

There was discussion regarding 3258 Terra Granada 1A and deck work. It was determined that the Mutual is responsible for the current deck work and repairs.

Ms. Alley moved to release the \$20,000 that is currently on hold in escrow on 3258 Terra Granada 1A because Mutual Seventy takes responsibility for the current deck work and repairs. Mr. Smith seconded and the motion carried without dissent.

The Board discussed Mutual inspections for termites. Mr. West reported that when there is a resale, the entire building gets inspected for termites.

Due to an issue in entry 3, speed bumps were discussed. Mr. Rowe asked the building committee to review any proposal first and then advise the Board.

EMERGENCY PREPAREDNESS COMMITTEE

No report.

ALTERATIONS

Ms. Alley reported that from June through December 8, 2015, 18 applications were processed, 14 permits were issued, and 16 completed.

GOVERNING DOCUMENTS

Mr. Cruson gave an update on the status of the solar panels issue. He reported that two people have been asked to speak at the informational meeting that will be scheduled for the membership. He has heard from one person and is waiting to hear from the other person. It was suggested that the Board place an article in the Rossmoor News to alert the membership of the meeting. Mr. Rowe believes there should be two evening meetings and an agenda needs to be created. After some discussion, the Board agreed that the committee should get the information together, along with the agenda, and present it to the Board. The Board will then decide how to move forward on this issue.

OLD BUSINESS

Mr. Rowe will provide information at the next meeting.

NEW BUSINESS

None.

ANNOUNCEMENT

The next regular board meeting: Thursday, January 21, 2016 at 2:00 p.m. in the Board Room in Gateway.

ADJOURNMENT

Having no further business, the meeting adjourned at 3:55 p.m.

/s/ _____
Ellen Dietschy, Secretary
Walnut Creek Mutual Seventy